

IN THE HIGH COURT OF KERALA AT ERNAKULAM

PRESENT :

THE HONOURABLE MR. JUSTICE C.N.RAMACHANDRAN NAIR

MONDAY, THE 22ND JANUARY 2007 / 2ND MAGHA 1928

WP(C).No. 33853 of 2006(E)

PETITIONER:

1. AISWARYA CASHEW COMPANY,
PORUTHAMON, PULIMATHU P.O.,
KILIMANOOR, TRIVANDRUM, REPRESENTED BY
ITS PROPRIETOR P.S. JAYAKUMAR.
2. S. SYAMALAKUMARI AMMA, `AISWARYA',
PORUTHAMON, PULIMATHU P.O., KILIMANOOR,
TRIVANDRUM.

BY ADV. SRI.R.SATISH KUMAR

RESPONDENTS:

1. THE CHIEF MANAGER,
STATE BANK OF TRAVANCORE,
BEACH ROAD BRANCH, KOLLAM.
2. THE ASST.GENERAL MANAGER,
STATE BANK OF TRAVANCORE,
ZONAL OFFICE, TRIVANDRUM.

BY ADV. SRI.M.PATHROSE MATTHAI (SR.)
SRI.SAJI VARGHESE
STANDING COUNSEL SRI.RADHIKA RAJASEKHARAN

THIS WRIT PETITION (CIVIL) HAVING COME UP FOR ADMISSION
ON 22/01/2007, THE COURT ON THE SAME DAY DELIVERED THE
FOLLOWING:

C.N.RAMACHANDRAN NAIR, J.

W.P.(C)NO.33853 OF 2006

Dated this the 22nd day of January 2007

JUDGMENT

Petitioner availed loan from first respondent against security of a cashew factory. Eventhough petitioner has made some payments, balance loan amount with interest is long over due. However, the petitioner in violation of loan agreement leased factory to another party without concurrence from Bank. Counsel for petitioner submitted that petitioner will be able to settle the entire arrears by sale of mortgaged property within three months. In view of the undertaking by the petitioner, I feel time can be granted.

2. Accordingly, writ petition is disposed of granting time to the petitioner to settle the entire liability till 30th April, 2007. However, petitioner is free to negotiate for sale of mortgaged property and for entering into agreement for sale on condition that sale will be made only after Bank issues clearance in the sale after petitioner or purchaser discharges liability. Bank is directed to withhold recovery proceedings till 30th April 2007 for compliance of the above and thereafter sell the property, if

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petitioner commits default. On default it will be open to the Bank to initiate contempt against petitioner because time is granted based on petitioner's undertaking to settle liability within three months.

Writ petition is disposed of as above.

C.N.RAMACHANDRAN NAIR, JUDGE

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